GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:6120
ANSWERED ON:27.04.2001
IDBI LOAN TO ENTERTAINMENT INDUSTRY
JAI PRAKASH

Will the Minister of FINANCE be pleased to state:

(a): whether the Joint Institutional Committee set up by IDBI on financing of Entertainment Industry including Film Industry has submitted its report to the Government;

(b): if so, the details thereof; and the main recommendations made by the Committee;

(c): the time by which these recommendations are likely to be implemented; and

(d): if not, the reasons for the delay and the time by which it is likely to be submitted?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) & (b): The Joint Institutional Committee set up by Industrial Development Bank of India (IDBI) on Financing of Entertainmen Industry including Films has submitted its report. The committee had observed that there was a need for extension of institutionalised credit to the Industry. The main recommendations of the committee inter-alia include :

- There is need for corporatisation in the film industry;
- There is need to have proper and transparent accounting system in the industry;
- There is need to evolve risk mitigation mechanism by creation of system of Completion Bonding in the country
- There is need for development of a comprehensive range of insurance products for the film industry.
- The Committee also finalised a Draft Scheme for financing the film industry.

(c): The scheme has already been made operative by IDBI after taking approval of its Executive Committee.It will be operationalised shortly by the other financial institutions after taking approval from their respective Boards.

(d): Does not arise.